

PROPERTY OF BUREAU OF CO.

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NATIONAL BISCUIT COMPANY

ANNUAL REPORT

JANUARY 31, 1909

To the Stockholders of
NATIONAL BISCUIT COMPANY

The following is the balance sheet of the Company at the close of business January 31, 1909:

ASSETS

Plants, Real Estate, Machinery, Patents, etc.	\$53,344,411.07	
Less Depreciation Account	<u>300,000.00</u>	\$53,044,411.07
Cash	\$ 3,694,574.25	
Stocks and Securities	673,610.87	
Accounts Receivable	2,854,375.32	
Raw Material, Supplies and Finished Product	<u>4,554,547.43</u>	\$11,777,107.87
		<u>\$64,821,518.94</u>

LIABILITIES

Capital Stock, Preferred	\$24,804,500.00	
Capital Stock, Common	<u>29,236,000.00</u>	\$54,040,500.00
Bonds Payable and Mortgages Payable		
Assumed at Formation of Company	\$ 1,814,000.00	
Less amount paid	<u>1,077,929.16</u>	\$ 736,070.84
Accounts Payable, Including Accrued Interest		421,403.57
Balance January 31, 1908	\$ 9,217,409.91	
Earnings, 12 months to January 31, 1909, inc.	<u>3,896,609.62</u>	
	\$13,114,019.53	
Less Dividends Paid 12 months to January 31, 1909, inclusive	<u>\$ 3,490,475.00</u>	\$ 9,623,544.53
		<u>\$64,821,518.94</u>
Sales, 12 months to January 31, 1909, inclusive		\$39,830,826.48
Profits, 12 months to January 31, 1909, inclusive		3,896,609.62
Per Cent. of Profit to Sales		9.78

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The sales and profits of the Company year by year have been as follows :

	Sales	Profits
1898	\$34,051,279.84	\$3,292,143.10
1899	35,651,898.84	3,302,155.00
1900	36,439,160.00	3,318,355.19
1901	38,625,134.78	3,670,445.05
1902	40,221,925.08	3,689,338.09
1903	40,532,114.59	3,709,515.62
1904	41,040,495.80	3,731,927.80
1905	39,702,566.44	3,822,338.02
1906	40,722,939.17	3,954,506.91
1907	41,802,224.26	4,101,414.88
1908	39,830,826.48	3,896,609.62

The balance sheet of the Company herewith presented shows its financial condition at the end of the eleventh fiscal year. Of the bonds and mortgages assumed at the formation of the Company, amounting to \$1,814,000.00, there has been paid off the sum of \$1,077,929.16, leaving a balance unpaid of \$736,070.84, none of which has yet matured. The accounts payable are simply the current bills for raw material and supplies, which were not adjusted before the close of the fiscal year.

Up to January 31, 1909, the Company has declared and paid forty-three consecutive quarterly dividends of one and three-fourths per cent. each on its preferred stock.

The first dividend of one per cent. on its common stock was declared August 15, 1899; including the dividend then declared, the Company declared and paid thirty consecutive quarterly dividends of one per cent. each on its common stock

up to January 31, 1907; and during the years 1907 and 1908 declared and paid eight quarterly dividends of one and one-fourth per cent. each; in addition to these quarterly dividends, the Company has paid three extra dividends of one per cent. each on its common stock; the first on April 15, 1906; the second on April 15, 1907, and the third on April 15, 1908, making in all forty-one dividends paid on its common stock.

The total number of stockholders of the Company immediately after its organization was about thirteen hundred. The total number of stockholders at the time of issuing the notice for this meeting was seventy-seven hundred and twenty-six. Of this number twenty-four hundred and seventy are employees of the Company. Under the plan enabling employees to purchase our preferred stock, paying for it in installments, they have purchased eighty-two hundred and three shares. This is exclusive of a very large amount of stock, both

common and preferred, held by our directors, officers and principal managers.

We have in former reports referred to the imitations of our trade marks and trade names by other manufacturers of biscuit. Seventy-four new imitations of the Company's trade marks and trade names have appeared and have been stopped during the past year. Five hundred and four such imitations, which have appeared since the formation of the Company, have been stopped either with or without litigation. These different imitations have involved over one hundred different manufacturers of biscuit in this country.

The sales of the Company show a falling off during the past year, as compared with the preceding year, of four and seventy-one one hundredths (4.71) per cent. This falling off in sales is not due to a loss in customers. On the contrary, our books show a larger number of customers than we had a

year ago ; nor is the falling off in sales confined to any particular locality. The losses are quite evenly distributed over the country, showing that such losses arise from a general cause, namely, the depression there has been in business generally during the past year.

Certainly the loss is not due to the want of zealous and intelligent work by our organization. Never have they worked with so much loyalty, courage and intelligence as they have during the past year.

Respectfully submitted,

A. W. GREEN,

President.

DIRECTORS

B. F. Crawford	S. S. Marvin
L. D. Dozier	W. H. Moore
H. J. Evans	T. S. Ollive
A. W. Green	F. M. Peters
H. M. Hanna	N. B. Ream
F. L. Hine	J. D. Richardson
F. A. Kennedy	S. A. Sears
J. B. Vredenburg	

OFFICERS

A. W. Green	President
J. D. Richardson	First Vice-President
F. M. Peters	Second Vice-President
F. E. Bugbee	Secretary and Treasurer
J. U. Higinbotham	Assistant Treasurer

EXECUTIVE COMMITTEE

N. B. Ream	J. D. Richardson
F. L. Hine	F. M. Peters
W. H. Moore	A. W. Green